

State of North Carolina ALCOHOLIC BEVERAGE CONTROL COMMISSION

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MEMORANDUM NO. 2689

TO: All County and Municipal ABC Boards

FROM: Michael C. Herring

Administrator

DATE: November 12, 2003

COMPANY CHANGE

Sazerac Company, Inc., has acquired A. Smith Bowman; therefore, effective **immediately**, the *entire line of A. Smith Bowman products is the marketing responsibility of Sazerac*. Mutual Sales and Marketing will continue as the North Carolina broker for these brands.

NOVEMBER 1, 2003 PRICE BOOK CORRECTION

The November 1, 2003 Price Book shows a CCLB price change for Code 46-747, Luksusowa, 750 ml. Since Code 46-747 was on SPA for the month of October, the price *must remain unchanged for the November quarter*. Therefore, the CCLB should be \$99.06 and the retail will remain at \$14.95 (same as the August 2003 quarter). Correct your records accordingly.

NOVEMBER 2003 SPA - CHIVAS REGAL

Code 20-302, Chivas Regal w/Decanter, is an **SPA item for the month of November** (in addition to Code 33-884, Chivas Regal, .75L). The *adjusted* **November CCLB** for Code 20-302 is \$76.12, reflecting an SPA of \$8.44; the correct **retail price** is \$45.95 for the **month of November**. J. A. Jones has been notified of the corrected billing and will credit you, accordingly.

Additional UPC numbers for November 1, 2003:

 Code 46-804
 Vox Vodka
 .75L
 080686-950400

 Code 52-800
 Beam & Cola (in can)
 .355L
 080686-306658

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LOCAL BOARDS COMPLIANCE WITH 2002 BIOTERROISM ACT

Pursuant to new federal regulations implemented by the Food and Drug Administration under the **Bioterrorism Preparedness Act of 2002**, the "operator" of a facility engaged in "holding" alcoholic beverages for sale to retailers will have to register the facility with the FDA no later than December 12, 2003, if 51% or more of the <u>facility's</u> annual revenue is derived from the sale of alcoholic beverages to licensed establishments (mixed beverage permittees).

As an example, Wake County ABC Board operates 20 outlets (19 stores and 1 warehouse). While the system as a whole sells more at retail than wholesale, they are still effected. Wake County has 1 warehouse and 1 store that sells product to mixed beverage permittees. The warehouse location will have to be registered because all its sales are to mixed beverage permittees (over 51%). The 1 retail / wholesale store will not have to register in this example because it sells more at retail than wholesale. The other 18 Wake County stores are not effected. Therefore, Wake ABC must register only their warehouse facility location.

The majority of you will not be effected because you have more retail sales than wholesale sales (mixed beverage) at your individual store locations. However, as outlined in the above example, if you operate a facility that is exclusively for wholesale (mixed beverage) sales, you must register it with the FDA. If you operate a retail / wholesale facility and 51% of the sales are wholesale (mixed beverage), you must register it also with the FDA. Please visit the web site www.access.fda.gov to register the effected facility locations, if any, in your jurisdiction that sells more wholesale (mixed beverage) liquor than retail liquor (to the general public). If you have any questions, please give us a call.

ABC COMMISSION / ABC STORE CLOSINGS

Thursday and Friday, November 27 and 28, 2003, Thanksgiving holiday, are mandatory closing days for the Commission offices.

Thursday, November 27, 2003, Thanksgiving Day, is also a mandatory closing day for all ABC stores.

ENCLOSURES

Supplemental Price List for the month of January 2004. These products will be offered to you at adjusted buy-in prices from December 1, 2003 through January 31, 2004. Reduced retail prices will be effective January 1 through January 31, 2004.